

August 9, 2019

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, SC 29210

**RE: Docket Nos. 2019-185-E and 2019-186-E
Duke Energy Carolinas, LLC's and Duke Energy Progress, LLC's Proposed
Questions for Third-Party Consultant Interviews**

Dear Ms. Boyd,

Pursuant to Order No. 2019-557 issued by the Public Service Commission of South Carolina (the "Commission") on August 9, 2019, Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP," and together with DEC, the "Companies" or "Duke") is hereby providing the Commission with proposed questions for the prospective consultants to be engaged pursuant to S.C. Code Ann. Section 58-41-20(I) of Act 62. This statutory provision requires the Commission to engage "a qualified independent third party to submit a report that includes the third party's independently derived conclusions as to that third party's opinion of each utility's calculation of avoided costs for purposes of proceedings conducted pursuant to this section."

As set forth in the statute, this consultant must be both "qualified" and "independent." In Order No. 2019-557, the Commission terminated its relationship with Pegasus Global Holdings, in part, based upon "material facts bearing on their independence and experience," including Pegasus' prior working relationship with the electrical utilities regulated by the Commission. Accordingly, the Companies believe that any potential candidate with a former relationship with any intervenor or any affiliate of any intervenor should, similarly, be removed from consideration. The following sets forth the questions the Companies present for consideration of the prospective consultants:

1. Have you or your employer served in an advisory or consulting capacity or received compensation from any of the following individuals or entities? If so, please provide details surrounding the nature of the engagement.
 - a. Any party to this docket
 - b. An affiliate to any party to this docket
 - c. Any member company of the South Carolina Solar Business Alliance
 - d. Any member company of the South Carolina Energy Users Committee
 - e. Any industry or trade association representing electric utilities

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- f. Any industry or trade association representing the solar industry
 - g. Any state agency, industry or trade association representing the using and consuming public
 - h. Any industry or trade association representing environmental advocates
 - i. Any regulatory utilities commission
2. Please describe your experience providing advisory or consulting services or testifying as an expert witness in matters or proceedings relating to the Public Utility Regulatory Policies Act of 1978 ("PURPA").
3. Have you or your employer adopted or advocated for any positions in any public forum on the issues expected to arise in this proceeding? If so, how would this impact your ability to advise the Commission independent of such previous positions?
4. Please describe your understanding of the ex parte prohibition set forth in S.C. Code Ann. Section 58-41-20(I) and how you expect to comply with those prohibitions while carrying out your duties as an independent third-party consultant.
5. Please explain the process you would follow to independently derive conclusions regarding the calculation of each electrical utility's calculation of avoided costs and what experience you have developing a report on the calculation of avoided costs under PURPA, as contemplated in S.C. Code Ann. Section 58-41-20(I)? Would you be able to deliver this form of report to the Commission in time for the Commission to achieve its statutory deadline set forth in S.C. Code Ann. Section 58-41-20(A)?
6. Please describe your familiarity with solar integration cost studies across the country and quantification of integration services costs.
7. Please describe your understanding of ancillary services requirements and your experience with studying, planning for, and/or maintaining the reliability of a complex transmission and distribution system.
8. Please describe your experience with assessing regulating reserve requirements on a utility's system.
9. To the extent avoided cost calculations require a detailed understanding of power system modeling, do you have any experience running or supervising utility system production cost models used by utilities across the country for integrated resource planning and avoided cost calculations? If so, please describe which models you have experience with and in what capacity did you utilize these models?
10. Do you have any experience modeling or studying the South Carolina power system?

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11. What is your general understanding of the customer demand profile in South Carolina and the generation resource mix that serves South Carolina?

The Companies appreciate the opportunity to provide these proposed questions. Should you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,



Rebecca J. Dulin

Attachments

cc: